

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	)	Chapter 11
	)	
TERRESTAR NETWORKS INC., <i>et al.</i> ,	)	
	)	Case No. 10-15446 (SHL)
Debtors.	)	
	)	Jointly Administered
	)	
SPRINT NEXTEL CORPORATION,	)	Adv. Pro. No. 10-05461 (SHL)
	)	
Plaintiff.	)	
	)	
v.	)	
	)	
U.S. BANK NATIONAL ASSOCIATION,	)	
in its capacity as Indenture Trustee and	)	
Collateral Agent for the 15% Senior Secured	)	
Payment-in-Kind Notes due 2014	)	
	)	
Defendant.	)	

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**STIPULATION AND ORDER AUTHORIZING THE INTERVENTION OF DEBTORS,  
THE OFFICIAL COMMITTEE, AND THE AD HOC GROUP**

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Plaintiff Sprint Nextel Corporation (“*Sprint Nextel*”) and Defendant U.S. Bank National Association, in its capacity as Indenture Trustee and Collateral Agent for the 15.0% Senior Secured Payment-In-Kind Notes due 2014 (“*U.S. Bank*”), and proposed intervenors Terrestar Networks, Inc. and certain of its affiliates (“*Debtors*”), the Official Committee of Unsecured Creditors (the “*Official Committee*”), and the Ad Hoc Group of Holders of 15% Senior Secured Notes (the “*Ad Hoc Group*” and together with Sprint Nextel, U.S. Bank, the Debtors, and the Official Committee, the “*Parties*”) by and through their counsel, hereby enter into this stipulation (“*Stipulation*”), dated January 11, 2011:

**WHEREAS**, on October 19, 2010, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States

Bankruptcy Court for the Southern District of New York (the “***Terrestar Bankruptcy Proceeding***”);

**WHEREAS**, on December 17, 2010, Sprint Nextel commenced the above-captioned adversary proceeding (the “***Adversary Proceeding***”) seeking a declaration regarding the priority, scope, validity, and enforceability of any security interests granted by Terrestar Networks, Inc. and certain of its affiliates in licenses, authorizations, waivers, permits and other related regulatory approvals (collectively, the “***FCC Licenses***”) granted by the Federal Communications Commission and the proceeds and value derived from the FCC Licenses;

**WHEREAS**, the Official Committee is the duly-appointed Official Committee of Unsecured Creditors in the Terrestar Bankruptcy Proceeding;

**WHEREAS**, the Ad Hoc Group consists of nineteen holders of approximately \$335 million of Terrestar Networks, Inc.’s 15.0% Senior Secured Payment-In-Kind Notes due 2014;

**WHEREAS**, each of the Debtors, the Official Committee, and the Ad Hoc Group is a “party in interest” as that term is defined in Section 1109(b) of the Bankruptcy Code; and

**WHEREAS**, each of the Debtors, the Official Committee, and the Ad Hoc Group asserts that it is entitled to intervene as of right in the Adversary Proceeding pursuant to Federal Rule of Civil Procedure 24 as made applicable to adversary proceedings by Bankruptcy Rule 7024, and has timely requested to intervene.

**NOW, IT IS THEREFORE STIPULATED AND AGREED** by the Parties that (i) the Official Committee is authorized to intervene as a plaintiff, and the Debtors and the Ad Hoc Group are authorized to intervene as defendants, in the Adversary Proceeding for all purposes, and (ii) the Parties shall not consent to any other purported “party in interest” intervening in the Adversary Proceeding.

IT IS FURTHER STIPULATED AND AGREED by the Parties that nothing in this Stipulation shall preclude the Debtors and the Official Committee from fulfilling their respective fiduciary duties.

*/s/ Darryl S. Laddin*

Dated: January 11, 2011

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New York, New York

Dated: January 11, 2011

*/s/ Ira S. Dizengoff*

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Dated: January 11, 2011

*/s/ Christopher T. Greco*

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*and*

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*/s/ David M. Posner*

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Unsecured Creditors*

**SO ORDERED**

New York, New York

*/s/ Sean H. Lane*

Date: **January 14, 2011**

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Honorable Sean H. Lane  
United States Bankruptcy Judge